

KRAMER LEVIN NAFTALIS & FRANKEL LLP

Kenneth H. Eckstein, Esq.
P. Bradley O'Neill, Esq.
1177 Avenue of the Americas
New York, New York 10036
Tel.: (212) 715-9100
Fax: (212) 715-8000

Attorneys for Appellant FTI Consulting, Inc.

OTTERBOURG, STEINDLER,
HOUSTON & ROSEN, P.C.

Scott L. Hazan, Esq.
John Bougiamas, Esq.
230 Park Avenue
New York, New York 10169
Tel.: (212) 661-9100
Fax: (212) 682-6104

*Attorneys for Appellant the Official Committee of Unsecured
Creditors of Northwest Airlines Corporation, et al.*

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
In re: : Chapter 11
: :
NORTHWEST AIRLINES CORPORATION, et al., : Case No. 05-17930(ALG)
: :
Debtors. :
: :
-----X

**FTI CONSULTING INC.'S AND THE OFFICIAL COMMITTEE
OF UNSECURED CREDITORS' JOINT STATEMENT OF
ISSUES AND DESIGNATION OF RECORD ON APPEAL**

FTI Consulting, Inc. ("FTI"), financial advisor to the Official Committee of Unsecured Creditors of Northwest Airlines Corporation (the "Committee"), together with the Committee and pursuant to Rule 8006 of the Federal Rules of Bankruptcy Procedure, hereby provides their joint (i) statement of the issues to be presented on appeal and (ii) designation of the items to be included in the record on appeal, with respect to their appeal from the

(a) Decision Denying Success/Completion Fee Request Portion of Lazard Freres & Co.'s and FTI Consulting Inc.'s Final Fee Applications (Docket No. 8103) and (b) Order Denying Allowance of Completion Fee Requests of FTI Consulting, Inc. (Docket No. 8104), entered by the United States Bankruptcy Court for the Southern District of New York (Morris, J.) (the "Bankruptcy Court") on the 29th day of February 2008.

I. Statement of Issues

1. Whether the Bankruptcy Court erred when it concluded that FTI was not entitled to a completion fee in the amount of \$1 million (the "Completion Fee") earned in connection with its role as financial advisor to the Committee in these chapter 11 cases.

2. Whether the Bankruptcy Court erred when it concluded that professionals retained under 11 U.S.C. § 328(a) cannot claim entitlement to a success or completion fee without the bankruptcy court first approving a formula or method by which the requested fee will be determined.

3. Whether the Bankruptcy Court erred when it concluded that FTI was not entitled to the Completion Fee pursuant to 11 U.S.C. § 328, even though the Completion Fee was expressly subject to a review for reasonableness.

4. Whether the Bankruptcy Court erred when it considered FTI's request for the Completion Fee to be a request for a fee enhancement.

5. Whether the Bankruptcy Court erred when it concluded that the Completion Fee, which was supported by the Committee, was not reasonable under 11 U.S.C. § 330.

6. Whether the Bankruptcy Court erred when it applied a lodestar analysis and failed to consider relevant market data to assess the reasonableness of FTI's Completion Fee.

7. Whether the Bankruptcy Court erred when it concluded that the Completion Fee sought by FTI was not supported by the applicable market-driven approach to fees awarded to professionals.

II. Designation of Record

FTI and the Committee hereby designate the following items to be included in the record on appeal together with all exhibits, attachments and documents incorporated by reference therein:

Item No.	Docket. No.	Description
1.	35	Application for an Order Pursuant to Sections 327(a) and 328(a) of the Bankruptcy Code and Bankruptcy Rule 2014(a) Authorizing the Employment and Retention of Cadwalader Wickersham & Taft LLP as Attorneys for the Debtors, filed by the Debtors
2.	37	Application for an Order Pursuant to Sections 327(a) and 328(a) of the Bankruptcy Code and Bankruptcy 2014(a) Authorizing Employment and Retention of Seabury Group LLC as Strategic and Financial Advisor to the Debtors, filed by the Debtors
3.	444	Appointment of Committee of Unsecured Creditors, filed by the United States Trustee
4.	748	Order Pursuant to Section 327(a) and 328(a) of the Bankruptcy Code and Bankruptcy Rule 2014(a) Authorizing the Employment and Retention of Cadwalader Wickersham & Taft LLP as Attorneys for the Debtors, filed by the Court
5.	758	Application for Order Pursuant to, <i>Inter Alia</i> , 11 U.S.C. § 328(a) and 1103(a) of the Bankruptcy Code Authorizing Employment and Retention of Otterbourg, Steindler, Houston & Rosen, P.C., Effective as of September 30, 2005, as Counsel to the Official Committee of Unsecured Creditors, filed by the Committee

Item No.	Docket No.	Description
6.	948	Application for Order Authorizing the Employment and Retention of Lazard Freres & Co. LLC as Financial Advisor to the Official Committee of Unsecured Creditors Pursuant to 11 U.S.C. §§ 328(a) and 1103(a), and Fed. R. Bankr. P. 2012(a) and 2016, filed by the Committee
7.	952	Application Pursuant to Fed. R. Bankr. P. 2014(a) for Order Under Sections 328(a) and 1103(a) of the Bankruptcy Code Authorizing the Employment and Retention of FTI Consulting, Inc. as Financial Advisors to the Official Committee of Unsecured Creditors Effective as of October 6, 2005, filed by the Committee
8.	1005	Order Pursuant to Sections 328(a) and 1103(a) of the Bankruptcy Code and Bankruptcy Rule 2014(a) Authorizing the Employment and Retention of Otterbourg, Steindler, Houston & Rosen, P.C. as Attorneys for the Official Committee of Unsecured Creditors, filed by the Court
9.	1271	Interim Order Authorizing Retention of FTI Consulting, Inc. as Financial Advisors to the Official Committee of Unsecured Creditors, filed by the Court
10.	1272	Interim Order Authorizing the Employment and Retention of Lazard Freres & Co. LLC as Financial Advisor to the Official Committee of Unsecured Creditors Pursuant to 11 U.S.C. §§ 328(a) and 1103(a), and Fed. R. Bankr. P. 2014(a) and 2016, filed by the Court
11.	1462	Order Pursuant to Section 327(a) and 328(a) of the Bankruptcy Code and Bankruptcy Rule 2014(a) Authorizing Employment and Retention of Seabury Group LLC as Strategic and Financial Advisor to the Debtors, filed by the Court
12.	3112	Final Order Authorizing the Employment and Retention of Lazard Freres & Co. LLC as Financial Advisor to the Official Committee of Unsecured Creditors Pursuant to 11 U.S.C. §§ 328(a) and 1103(a), and Fed. R. Bankr. P. 2014(a) and 2016, filed by the Court
13.	3121	Final Order Authorizing Retention of FTI Consulting, Inc. as Financial Advisors to the Official Committee of Unsecured Creditors, filed by the Court

Item No.	Docket. No.	Description
14.	4139	Application for an Order Pursuant to Sections 327(a) and 328(a) of the Bankruptcy Code and Bankruptcy Rule 2014(a) Authorizing the Employment and Retention of Evercore Group L.L.C. as Financial Advisors for the Debtors, filed by the Debtors
15.	5797	Order Pursuant to Section 327(a) and 328(a) of the Bankruptcy Code and Bankruptcy Rule 2014(a) Authorizing Employment and Retention of Evercore Group L.L.C. as Financial Advisors for the Debtors, filed by the Court
16.	7430	Fifth and Final Application of FTI Consulting, Inc. for Allowance of Compensation and for Reimbursement of Expenses for Services Rendered in These Cases for the Period October 6, 2005 Through May 31, 2007, filed by FTI
17.	7431	Final Application of Lazard Freres & Co., LLC for Allowance of Compensation and for Reimbursement of Expenses for Services Rendered in These Cases for the Period October 6, 2005 through May 31, 2007, filed by Lazard
18.	7558	Objection of the United States Trustee to the Final Fee Applications of the Retained Professionals, filed by the United States Trustee
19.	7561	Objection by Carval Investors, LLC to (I) Fee Enhancements Sought by Cadwalader, Wickersham & Taft LLP and Otterbourg, Steindler, Houston & Rosen, P.C.; and (II) Completion Fees Sought by FTI Consulting, Inc. and Lazard Freres & Co. LLC, filed by Carval Investors, LLC
20.	7565	Objection of Association of Flight Attendants - CWA, AFL-CIO, to the Fee Application Submitted by FTI Consulting, Inc., Pursuant to 11 U.S.C. § 330, filed by the Association of Flight Attendants
21.	7566	Objection of Association of Flight Attendants - CWA, AFL-CIO, to the Fee Application Submitted by Lazard Freres & Co. LLC Pursuant to 11 U.S.C. § 330, filed by the Association of Flight Attendants

Item No.	Docket. No.	Description
22.	7567	Amended Objection by CarVal Investors, LLC to (I) Fee Enhancements Sought by Cadwalader, Wickersham & Taft LLP and Otterbourg, Steindler, Houston & Rosen, P.C.; and (II) Completion Fees Sought by FTI Consulting, Inc. and Lazard Freres & Co. LLC, filed by Carval Investors, LLC
23.	7580	Reply of FTI Consulting, Inc. in Further Support of the Fifth and Final Application of FTI Consulting, Inc. for Allowance of Compensation and Reimbursement of Expenses, filed by FTI
24.	7586	Response to Objections by the United States Trustee, CarVal Investors, LLC and the Association of Flight Attendants – CWA, AFL-CIO to Final Fee Application of Lazard Freres & Co., LLC, filed by Lazard
25.	7633	Order Granting Interim and Final Allowance of Compensation and Reimbursement of Expenses, filed by the Court
26.	7704	Transcript of September 11, 2007 Hearing
27.	7749	Order Granting Final Allowance of Fixed Monthly Compensation and Reimbursement of Expenses of Lazard Freres & Co. LLC from the Period October 6, 2005 through May 31, 2007, filed by the Court
28.	7793	Supplemental Memorandum of FTI Consulting, Inc. in Further Support of the Fifth and Final Application of FTI Consulting, Inc. for Allowance of Compensation and Reimbursement of Expenses, filed by FTI
29.	7857	Transcript of November 19, 2007 Hearing
30.	EX	FTI Consulting, Inc. Fee Application Hearing Exhibits 1-44
31.	EX	Association of Airline Flight Attendants Fee Application Hearing Exhibits 1-2
32.	EX	Lazard Fee Application Hearing Exhibit 1

Item No.	Docket. No.	Description
33.	DEP	Stipulated Greco Deposition Designations
34.	DEP	Stipulated Lockhart Deposition Designations
35.	TR	Transcript of December 19, 2007 Telephonic Hearing ¹
36.	7903	Transcript of October 18, 2007 Hearing
37.	7913	Post-Trial Brief of Lazard Freres & Co., LLC in Support of its Application for a Completion Fee, filed by Lazard
38.	7915	Post-Hearing Brief in Support of Objection by CarVal Investors, LLC to Request for Additional Compensation in Final Fee Application of Lazard Freres & Co., LLC, filed by CarVal Investors
39.	7917	Supplemental Memorandum in Opposition to FTI Consulting, Inc.'s Fifth and Final Application for Allowance of Compensation and Reimbursement of Expenses, filed by Carval Investors, LLC
40.	7918	Post-Hearing Brief of FTI Consulting, Inc. in Further Support of the Fifth and Final Application of FTI Consulting, Inc. for Allowance of Compensation and Reimbursement of Expenses, filed by FTI
41.	7919	Post-Hearing Brief of the Association of Flight Attendants-CWA, in Support of its Objection to the Fee Applications of Lazard Freres and FTI Consulting, filed by the Association of Flight Attendants
42.	7920	Post-Trial Statement of The Official Committee Of Unsecured Creditors In Support of the Fees Requested by FTI Consulting, Inc. and Lazard Freres & Co., LLC, filed by the Committee

¹ Pursuant to Rule 8006 of the Federal Rules of Bankruptcy Procedure, a copy of the December 19, 2007 Telephonic Hearing transcript has been requested from the court reporter.

Item No.	Docket. No.	Description
43.	8103	Decision Denying Success/Completion Fee Request Portion of Lazard Freres & Co.'s and FTI Consulting, Inc.'s Final Fee Applications, filed by the Court
44.	8104	Order Denying Allowance of Completion Fee Requests of FTI Consulting, Inc., filed by the Court
45.	8105	Order Denying Allowance of Completion Fee Requests of Lazard Freres & Co. LLC
46.	8125	Notice of Appeal, filed by FTI
47.	8154	Notice of Filing of Exhibit Introduced by Lazard Freres & Co., LLC at Evidentiary Hearing Before the Honorable Cecilia J. Morris on November 19, 2007, filed by Lazard
48.	8155	Notice of Appeal, filed by the Committee

Pursuant to Local Bankruptcy Rule 8007-1, copies of Item Nos. 30, 31, 33 and 34, which have not been previously filed on the CM/ECF system, are being filed electronically as attachments hereto.

Dated: March 20, 2008

KRAMER LEVIN NAFTALIS & FRANKEL
LLP

By: /s/ P. Bradley O'Neill
Kenneth H. Eckstein, Esq.
P. Bradley O'Neill, Esq.
1177 Avenue of the Americas
New York, New York 10036
Tel.: (212) 715-9100
Fax: (212) 715-8000

Counsel for FTI Consulting, Inc.

and

OTTERBOURG, STEINDLER,
HOUSTON & ROSEN, P.C.

By: /s/ Scott L. Hazan
Scott L. Hazan, Esq.
John Bougiamas, Esq.
230 Park Avenue
New York, New York 10169
Tel.: (212) 661-9100
Fax: (212) 682-6104

*Counsel for the Official Committee of Unsecured
Creditors of Northwest Airline Corporation, et al.*